

Section 1 – Subgrantee Overview

I. Service Area: Organization Network of Low-Income Weatherization Assistance Program (WAP) Subgrantees

A. Community Action Agencies

- Central Missouri Community Action (CMCA)
- Community Action Agency of St. Louis County (CAASTLC)
- Community Action Partnership of North Central Missouri (CAPNCM)
- Community Action Partnership of Northeast Missouri (CAPNEMO)
- Community Services Inc. of Northwest Missouri (CSI)
- Delta Area Economic Opportunity Corporation (DAEOC)
- East Missouri Action Agency, Inc. (EMAA)
- Economic Security Corporation of Southwest Area (ESC)
- Jefferson Franklin Community Action Corporation (JFCAC)
- Missouri Ozarks Community Action, Inc. (MOCA)
- Missouri Valley Community Action Agency (MVCAA)
- North East Community Action Corporation (NECAC)
- Ozark Action, Inc. (OAI)
- Ozarks Area Community Action Corporation (OACAC)
- South Central Missouri Community Action Agency (SCMCAA)
- West Central Missouri Community Action Agency (WCMCAA)
- United Services Community Action Agency (USCAA)

B. Not-For-Profit Organizations

- Urban League of Metropolitan St. Louis (ULMSL)

(See Attachment I-1 for a listing of subgrantees and a map of subgrantee service areas)

(See Attachment I-2 for a listing of WAP Administrative Office Addresses and Contacts)

II. Subgrantee Selection

A. Pre-Award Solicitation

Upon occasions when the Missouri Department of Economic Development/Division of Energy (DED/DE) may seek WAP sub-recipients, interested organizations will be solicited through a competitive Request For Proposal (RFP) issued by the DED/DE.

1. Required Documentation

An organization must submit a detailed plan describing how it will operate the Program. It must also meet basic Program requirements to qualify as a potential candidate. The basic criteria include, but are not limited to:

- a) Proof of adequate bonding.
- b) Proof of ability to secure adequate insurance.
- c) Completed Certificate Regarding Debarment, Suspension and Other Responsibility Matters and Drug-Free Workplace Requirements.
- d) Signed lobbying form.
- e) An Organization's Articles of Incorporation, its organizational chart and names of persons authorized to sign on its behalf.
- f) Certificate of good standing and documentation supporting its legal status.
- g) Credit references and proof of financial solvency.

2. Evaluation Criteria

- a) Weatherization/Renovation Experience.
- b) Descriptions and number of years of experience in weatherization and/or renovation activities.
- c) Performance records: Number of homes completed and documentation of successful completions.
- d) Number, qualifications and experience of staff in rating energy conservation measures and/or residential weatherization/renovation activities.
- e) Program Management Experience.
 - i) Description and number of years of management experience of the organization.
 - ii) Qualifications and experience of management staff.
 - ii) Contract/subcontract management experience.
 - iv) Ability to secure volunteers and/or public service employment workers in accord with the Workforce Investment Act (WIA) formally known as the Job Training and Protection Act (JTPA), if such employees are available.
 - Fiscal Accountability -- Agency's ability to show sound fiscal and accounting procedures and its ability to present the results of past fiscal audits, if applicable.
 - Client Outreach -- Strategy, experience and ability of the organization's outreach, marketing of program services and obtaining of clients.

- Assisting Low-Income Populations--Agency's record in assisting low-income families in the planned service area.
- Organization Assets --Ability to dedicate and/or contribute an agency's financial and/or in-kind program assets to the WAP such as: administrative support, personnel, office space, equipment, supplies, tools and other related assets.
- Supplemental Funds --Ability to use non-WAP funds in conjunction with WAP funds in servicing eligible homes. Supplemental funds can be used to implement renovation on both WAP-eligible and non-WAP-eligible energy conservation measures.

3. Requirement for a Public Hearing

The Missouri Department of Economic Development / Division of Energy (DED/DE) will evaluate all proposals, make a preliminary selection and hold a public hearing. After reviewing comments from the public hearing, a final decision based on the results will be announced.

B. Post-Award Probation Period

An organization selected to assume a service area will be placed on a one year probationary period by DED/DE. Probationary periods may be shortened or lengthened at the discretion of DED/DE, based upon the organization's ability and capacity to meet client service objectives and comply with the technical and administrative WAP requirements. The organization must be able to document that they have the number of eligible client homes to weatherize to meet their production goals. An eligible client is one who has requested WAP services and has been "certified eligible," which means the client (1) is income-eligible, (2) has not been previously serviced through the WAP (unless he or she is eligible for re-weatherization) and (3) resides in the area to be served.

III. Subgrantee Monitoring

As the granting agency for the statewide administration of the WAP, DED/DE is responsible for monitoring the performance of each local WAP subgrantee. Monitoring enables DED/DE to determine if the residents of Missouri are being adequately served and if the WAP is being operated in compliance with the federal/state regulations and requirements. Information obtained by the monitoring effort is used to determine:

- Internal controls and processes used by subgrantees.
- Types of training and technical assistance required.
- Fiscal integrity of subgrantees.
- Production rates.
- Proactive measures that may be taken to improve program operations.
- Compliance with federal/state regulations and requirements.
- Quality of weatherization work performed on clients' homes.

A. Problem Resolution

A variety of problems may arise during the course of a program year which may require different methods of resolution. Most problems can be placed into one of four categories.

- **Reporting**-- Reporting problems can generally be resolved using written communication explaining the problem. Where the problem is significant, an on-site visit will be made to gather the correct data and assist the subgrantee in developing better reporting procedures.
- **Housing Quality** -- A housing quality problem may be noticed during a field visit. Where significant problems are found in the workmanship on the home(s), the subgrantee will be required to return to the home(s) and correct the problem(s). Where a problem is found to be widespread, the subgrantee will be required to notify DED/DE of the resolution to the problem.
- **Health and Safety** -- For health and safety issues, the subgrantee may be required to correct all deficient work and to re-inspect all completed homes with similar concerns, providing routine updates to DED/DE until all concerns are corrected. DED/DE will re-inspect as needed to verify that corrections have been made either through an on-site inspection or by telephone contact with clients.
- **Fiscal Compliance**-- DED/DE will require subgrantees to take corrective action when a subgrantee is not in compliance with the federal/state requirements. The action taken will depend upon the nature of the problem. If, for example, a problem involves a disallowed cost, the subgrantee will be required to pay for those disallowed costs through their agency's non-discretionary/corporate fund account. DED/DE will require the subgrantee to provide documented evidence of corrective action(s) when DED/DE has determined that the subgrantee is not in compliance. DED/DE will monitor subgrantee implementation of corrective action(s) during annual on-site monitoring visits.

B. Monitoring Activities

DED/DE monitoring activities span four distinct but interrelated areas of program operations:

- Housing quality inspections.
- Production and expenditure reviews.
- Fiscal and program operations.
- Oversight of federal/state requirements and regulations.

Implementing the DED/DE monitoring system involves:

1) Desk Monitoring

A subgrantee is required to submit monthly reimbursements through MoWAP to DED/DE. If a subgrantee does not have any expenditures or clients to report for a month, email notification must be given to the DED/DE LIWAP Administrative Manager to provide explanation. Reimbursement to a subgrantee is based on clear, accurate tracking of expenditures and clients served. DED/DE staff review each reimbursement submitted through MoWAP and provide, if necessary, feedback concerning specific problems a subgrantee may be experiencing in its operations or in its compliance with grant requirements. (See Attachment 1-4; MoWAP Client File Review and Reimbursement Checklist) Information collected is also used to target selected items for monitoring during field visits to a subgrantee. From these documents, DED/DE can determine compliance with:

- The federally designated expenditure categories.
- Actual expenditures versus planned expenditures.
- Overall expenditure rates by each subgrantee.
- Characteristics of completed homes.
- Numbers of completed units per month.
- Numbers of persons and households by WAP targets.
- Health and safety measures and expenditures.

2) Fiscal and Procedural Monitoring

DED/DE will visit each subgrantee at least once each program year to review procedural, fiscal and compliance issues. DED/DE will conduct a thorough review of the procedures of the subgrantee by using a standardized and extensive monitoring protocol. DED/DE will review subgrantee compliance with federal/state regulations and requirements as specified in the Missouri WAP Annual and Master files, the Missouri WAP Competitive Procurement Standards and the DED General Terms and Conditions for Federal Subgrants. Annual independent audits will be reviewed to ensure audit financial schedules match financial reports during the year.

3) Housing Quality Monitoring

DED/DE will schedule an on-site visit(s) to a subgrantee as necessary, but at least once per program year, to inspect the quality of work on the homes completed.

Each subgrantee is required to have, at a minimum, one certified energy auditor (BPI-Building Analyst 1) or a Quality Control Inspector (QCI) on staff. Any Subgrantee without the required trained and certified energy auditor, or a QCI inspector, must submit a corrective action plan to the DED/DE before the DED/DE will award a subgrant for the subsequent program year. The corrective action plan must outline steps that the subgrantee is taking to ensure that the QCI inspection requirement will be met. (See Missouri Weatherization Technical Operational Manual – Section X)

A representative sample of completed homes will be inspected to determine whether or not the work reported and materials installed are in compliance with WAP standards. DED/DE will have the option to inspect additional houses when implementing new measures or when other concerns arise. Inspection checklists are used to assist D/DE with on-site inspections. Additional information may be obtained or requested from the subgrantee client files to document the findings of the monitoring visit. DED/DE will inspect the following:

- Compliance with allowable WAP measures.
- Quality of work.
- Accuracy of the report concerning the amount of material installed on the home.
- Assurance that the initial energy audit and final inspection are appropriate, accurate and complete.
- Inspection of materials to ensure they meet federal specifications.

DED/DE may also perform follow-up reviews of homes where additional work or corrective measures were required as a result of past DED/DE inspections.

4) Independent Fiscal Audit Review

A subgrantee is required to have an annual fiscal audit, in accordance with 2 CFR 200. A copy of the audit must be submitted to DED/DE within nine months from the end of the agency's fiscal year, or thirty days from the date the final report is received by the agency from the independent auditor. This audit shall document expenditures and compliance with regulations and requirements. The independent auditor shall use the schedules found in the WAP audit guide to present the required financial data. Findings are compared to the subgrant and monthly reimbursements. (See Section 4 and Section 4 Attachments for additional information.)

IV. Notification of Personnel Changes

A. Weatherization Personnel

Notification, in writing (e-mail notification is acceptable) from agency management, will be given to DED/DE of any agency weatherization personnel, or key agency personnel, that have been hired, or have left employment, within fifteen (15) days of the hire or departure. Please provide name and title of employee. In addition, if key personnel involved with the weatherization program will be gone, or unavailable, for an extended amount of time, notification, in writing (e-mail is acceptable) will be given to DED/DE.

B. Executive Directors and Board Chairs/Presidents

Notifications, in writing (e-mail notification is acceptable) from agency management, will be given to DED/DE of any change in the agency's Executive Director and Board Chair/President within fifteen (15) days of appointment or departure. DED/DE also requests the mailing addresses of all Board Chairs/Presidents where they prefer to receive mail (home or business). This should be different from the agency address.

V. Terms for Probation, Defunding or Penalties

The "*DED General Terms and Conditions*," "*Scope of Services*" and "*Subgrant Assistance Agreement*" specifies the criteria necessary for a subgrantee to be considered in contract compliance with DED/DE. Failure to maintain fiscal control, comply with federal regulations or fulfill contract obligations will lead to probation, loss of funding or other penalties provided in state law, DED policies, federal law or regulation, or DED Terms and Conditions for Federal Subgrants. The terms of the probation will depend on the specific situation. At the end of the probation period, DED/DE will conduct a performance review. In the event a subgrantee fails to meet specified minimum standards, DED/DE may reallocate all or part of the unobligated WAP funds to a suitable replacement subgrantee.

VI. Procedures to Terminate a WAP Subgrantee

Before termination of a WAP subgrantee, an administrative hearing process will be conducted in accord with state and federal regulations, but only after all other reasonable alternatives have been taken.

If DED/DE believes just cause is present to warrant termination of services by a WAP subgrantee, the DED/DE Director will inform the DED Director, in writing, of the pending termination action and will schedule a meeting with the DED legal representative. Notification to the affected subgrantee of the pending action will occur only upon recommendation of the DED legal representative and will be based on documented evidence of the disputed problems. An administrative hearing official within DED shall be appointed by the DED Director.

The official Notice of Termination, sent to the subgrantee by certified mail with return receipt, will detail specifically the disputed issues, outline the steps taken to resolve the issues and the results of those steps. In addition, the official notice shall give detailed instructions regarding the disposition of activities and/or services, supplies and equipment the affected subgrantee is providing or operating under the WAP. If the disputed issues are not immediately resolved, the hearing official will schedule an administrative hearing with the affected parties. Attendance at the hearing shall be limited to DED and the affected subgrantee. The subgrantee shall be given at least 30 working days prior to the date of the hearing to show just cause why the grant with DED should be continued. During the hearing, both parties shall be guaranteed the right to present their cases through written and oral testimony. A permanent record of the presentations shall be made, and copies of the proceedings and all written testimony shall be made available to both affected parties. Both parties shall have at least 30 working days from the date of the hearing to submit to the administrative hearing official written responses to issues made at the hearing. The hearing official shall have 15 working days after receiving comments to reach a conclusion. The conclusion and its justifications shall be provided, in writing, to both affected parties.

VII. Additional Information – Helpful Websites

<https://www.ded.mo.gov/MoWAP>

The DED/DE administered website required for client file tracking and reporting of expenditures.

[http://energy.mo.gov/energy/communities/assistance-programs/low-income-weatherization-assistance-program-\(liwap\)](http://energy.mo.gov/energy/communities/assistance-programs/low-income-weatherization-assistance-program-(liwap))

The DED/DE website contains a variety of information on the Weatherization Assistance Program for the State of Missouri.

<http://apps1.eere.energy.gov/weatherization/>

The U.S. Department of Energy provides information about the Weatherization Assistance Program on the national level.

<http://www.waptac.org/>

This site provides weatherization practitioners and other energy conservation professionals with information related to the Weatherization Assistance Program, its on-going operations, and its partnerships with stakeholders. It also contains federal WAP guidance, Program Notices, and downloads for the NEAT/MHEA audit software.

<http://www.nascsp.org/Weatherization.aspx>

The National Association for State Community Service Programs website contains information about the Community Services Block Grant and the Weatherization Assistance Program.

<http://www.acf.hhs.gov/programs/ocs/liheap/>

The U.S. Department of Health and Human Services website contains information about the Low-Income Home Energy Assistance Program (LIHEAP).

<http://www.energystar.gov/>

The U.S. Environmental Protection Agency's website about the Energy Star program – a voluntary partnership between the DOE, EPA, product manufacturers, local utilities, and retailers to promote energy efficient products.

<http://www.homeenergy.org/>

Information on residential energy efficiency, performance, comfort, and affordability.

<http://www.bpi.org/standards.aspx>

Building Performance Institute, Inc. best practices and standards.

<http://www.ahridirectory.org/ahridirectory/pages/home.aspx>

Air-Conditioning, Heating and Refrigeration Institute appliance information database.

<http://www.weatherizationassistanttraining.org/>

NEAT/MHEA online training from the US DOE.

<http://wxtvonline.org/>

Technical weatherization training videos

<https://sws.nrel.gov/>

NREL Standard Work Specification (SWS) website

http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

Electronic version of 2 CFR 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards